
DIGEST

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HB No. 973

Abstract: Provides with respect to financing for projects in sustainable energy financing districts.

Present law authorizes governing authorities of any local governmental subdivisions otherwise authorized to collect property taxes and to issue and sell bonds to create special districts known as sustainable energy financing districts. Relative to financing for projects, authorizes the local governmental subdivision to incur debt in order to provide to the district sufficient funds to make the loans provided for in present law and authorizes owners of property in the district to request loans from the district to cover the costs of energy-related improvements to the property. Provides for loan criteria, conditions, and terms. Proposed law retains present law.

Present law provides that if agreed by the district, the amount of the loan shall be assessed against the property and collected in the same manner as ad valorem taxes assessed on the property by the local governmental subdivision. Authorizes the district to enter into agreements with the sheriff or other property tax collector for assessing and collecting the assessment.

Proposed law removes present law and provides that in order to secure repayment of loans, the local government subdivision shall file a statement of lien with the recorder of mortgages for the parish in which the property is located to which the energy efficiency improvements are made in order to have legal effect. Further provides that the lien or privilege shall take effect against third persons upon the filing of the statement of lien and that the lien shall rank according the time of filing of such statement and be inferior to all mortgages and privileges that are effective against third persons before such statement is filed. Provides that the lien shall have priority over other mortgages and privileges except for privileges for ad valorem taxes. Adds specific information the statement of lien shall contain.

Present law authorizes, upon failure of the property owner to pay the assessment within 30 days of receipt, the local governmental subdivision to file a certified copy of charges with the recorder of mortgages, which shall operate as a lien and privilege in favor of the local governmental subdivision and district. Provides that such lien and privilege shall have the same ranking as an ad valorem tax lien on immovable property and may be enforced and collected by ordinary civil proceeding or enforced and collected as any ordinary property tax lien assessed against the property and collected in the manner fixed for collection of tax and subject to the same civil penalties for delinquencies, together with attorneys' fees and costs incurred in notification to the owner and the enforcement and collection of the amounts owed.

Proposed law removes the provisions relative to the filing of the certified copy of charges which shall operate as a lien and privilege and how they may be enforced and collected and instead provides that upon such failure to pay, the local governmental subdivision may collect the amount due for the current year by ordinary civil proceedings in accordance with La. CCP articles 851 et seq. (ordinary proceedings). Adds that the duration of the effect of a statement of lein's recordation, method of reinscription, and cancellation of recordation after the effect of recordation has ceased shall be governed by the provisions of CC Arts. 3354-3368 (mortgage records).

(Amends R.S. 33:130.812(C))